

Destroy

G. R. S. IX-5]

Previous references.

Geol 128-17 (1-5)
" 36-18 (1-9)

1918.

(Geol)

File No. 36-18

Serial Nos. 6 & 14

Later references.

Geol 21-22 - (1-6)

Geol 79-22 (1-3)

" 79-22 (4-10)

Preserved

31

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Two

Part B for

July 19

SUBJECT.

Mineral licenses applied for & held by
the Workington Iron & Steel Co., Ltd. Mining

cc 14) So, The Dir Dept of M & L
to G 2318 d/28-7-19
Approves the proposals of the Director
for certain concessions to the above Company
subject to certain reservations & conditions.

W. H. D. D.

3.9

4288
36-19-1

8476

GENERAL AND REVENUE SECRETARIAT.

(Geol)

NOTES.

MAY 1919

File No. 36-18

FILE HEADING.

Mineral license applied for & held by the Workington Iron & Steel Co Ltd, Rhinoga.

From

The offg. suitor, Dept of Geology.

No. 1356.

Dated 23-11-18

Received 26-11-18.

Diary No. 8476.

Enclos. 2

Spare Copies.

Serial No. 6

BRIEF ABSTRACT OF LETTER.

Submitted for order of Govt an application from the Workington Iron & Steel Co Ltd (New Mysore Manganese Dept) Rhinoga for a prospecting license for manganese over a block of one sq mile of land in the Rhinog Taluk.

NOTES AND ORDERS.

Submitted with references for order.
9-12-18.

Submitted with references for order.

9-12-18.

Subt. Separately
When the "reconsideration"
appl. has been dist.
y me
11/12

3 What is the total manganese area held by this Company including the ten sq miles now granted?

me
18/1/19

NOTES—First Sheet.

D. S. S. with enclosed

8476

Serial
No.

4. The company hold mining leases and prospecting
license over the following areas.

Mining lease
no 141 over 640 acres in the Shimoga Taluk.
no 142 over 640 acres do

Prospecting license over 10 sq miles in the Kumbhi Taluk.
Submitted

AMS. 22-1-19 By 5 the Co^y have quite enough
manganese area in their hands
already. It is doubtful if they
need be given further blocks. For
orders-
ms
28/1

Chief Secy).
6th members

4177-242
30.1.19

This company has invested 30,000
a large capital in the business & has
conducted operations in the state for
twelve years now. Of course they ~~cannot~~
agree to an stipulation that the ~~refusal~~
should be given the first refusal ^{for} ~~the~~ ^{all} the
ore mined is shipped for use in their
works in England. This is rather a
~~peculiar~~ ^{peculiar} case & if the Dewan approves
the question of the policy to be followed must
be discussed in Council.

Lt 639.
17-2-19

(Dewan)

ms
18.2.19

ms
120/245 and 171

Serial
No.

9 The other one in the appl
has rejected the other

19-2-19
19/2
19/2

7000 942
2000 942

10 Geol files 128-17 (1-5) and 36-18 (149) are
received submitted

11-2-19
11 Blue (see)

19/2
24/2

12 Dewany

5088
4-3-19

13 In view of the order handed in
the present appl the different
to sanction the present one
all appls may be dealt with
under a general policy - 2
The present one is in
that light - (recently issued)

19/2
4/3/19
4/3

14 Copy of
Recent govt put up

19/2
3-3
19/2
8/3

5217-289
10-3-19

Second member)

11 Copy of G.O recd. by issued may be
put up now.

11. 3. 19

Serial
No.

Export are to be enforced in their
entirety the application cannot be
considered at all. The Working Co.,
has its works at Shinoga mine
beside the ore to the head works in
Cumberland. I should therefore suggest
a compromise being come to. ~~therefore~~
The Coy. may be permitted to ship ^{mine & 8}
England all such ore as may not
be required by the Govt. Subject to a
maximum of anything between 25%
50% of the total output. It strikes
me that this would be an equitable
settlement of the matter.

5354-
13.3.19.

Below

Recd.
12.3.19

17 Generally agree Perhaps Dr ^{the} 12/3/19.
Smetham may be unopposed
Council

5487-22

18-3-19

18 Second meeting

19 Feb. Action may be taken as above

Recd.

19.3.19

Uo. No 1189 20.3.19

NOTE—Contn. sheet.

3184

20 Forwarded Uo. with compliments to Dr Smetham
Directly in his & hereby forwarded of remarks
in Vandaat

WD A 1789—GPB—60,000—20.3.19

Uo. 20.3.19

20/3/19

to Jones

Agd. File No. 36 of 18-19

GPB-1,200-3 2-15

U. G. No 3195

3

29-4-19

2/ This file relates to an application from the Workington Co., for a Prospecting License near Bickonhalli in the Shimoga District. Before giving an opinion, I would like to discuss the situation generally.

I enclose, for information, copies of 3 letters from the Superintendent, which I will refer to by the letters A, B & C - viz, -

A - letter dated 14th December 1918

B - " " 19th March 1919

C - " " 15th April 1919.

Letter A reviews very fairly the position of the Company, the large capital sunk in the venture and the fact that the approaching exhaustion of the present mines does not give the Company a reasonable prospect of carrying on work or recouping their capital. Further prospecting is necessary if further supplies are to be obtained. The Company would not have embarked this large capital in the country had there been any suggestion, at the time, that they would be frozen out or that Government would monopolize the ores.

23 The Company have done first class work and owing to liberal capital and working expenditure have developed and made merchantable large quantities of ore which, otherwise, would have remained untouchable. Owing to their position as consumers they have been able to deal with large quantities of ore which could not have been sold in the open market at a

prof

653.11

2lags
A. B. C.

CHIEF SECRETARIAT.

IV

MINOR Depto;

1 MAY 1919

File No. 26

of 18-11

GPB-1,200-3 2-15

profit and if they continue work they will probably be able to deal with some of the large quantity of low grade ore which has been developed to an extent which would not be possible to others. It is necessary, however, for them to prospect for and develop a certain proportion of medium to high grade ore in order to permit of a working balance being maintained otherwise the industry will simply collapse.

24 The strong claims of the Company to favourable consideration have been noted above by the Second Member of Council.

25 On the other hand, we have to consider that Government may require comparatively small quantities of ore for indigenous use and we wish to retain a certain measure of control.

26 The Superintendent suggests that they should take out licences and work the ores until such time as Government may require them. This would be all right if the ores were unlimited but possibly they might have mined all the ore before we could make up our minds whether we wanted it or not.

27 The Second Member suggests that we should have first refusal of the ore up to 25% & 50% of the tonnage. This suffers from the same defect as the previous suggestion though giving the Company an assurance that we should not claim all the ore. Other difficulties are noted in Letter B.

28 My proposals are as follows :-

(1) Reestablish the reserved area of a 13 mile radius

round

Guel File No. 36

of 18-19

round Aiyannur. This will protect the Company and not injure any one else as no one else holds any mining Blocks therein.

(2) Give the Company, from time to time at our discretion, prospecting Blocks within the reserved area. This will give them an opportunity of searching for and selecting new ore bodies thereby increasing their reserves and the reserves at the disposal of Government.

(3) The new prospecting licenses to be under the terms of our new rules whereby the Company can claim only $\frac{1}{8}$ of the area of the prospecting block for a mining lease. If deposits of any magnitude are discovered, we get the benefits of absolute control over the remaining $\frac{7}{8}$ of the area either for our own use or for further disposal under licenses and leases as circumstances may dictate and we get these benefits without incurring the very large expenditure which such prospecting requires. If there are any ores to be got, we shall be not merely keeping the Company going as a sound industrial concern, but taking advantage of them as a Government Agency.

(4) It is possible that in any prospecting license the extent of any deposit found may be entirely comprised within $\frac{1}{8}$ part of the prospecting block in which case we should get nothing for ourselves out of that particular block. This would be unlikely in every case but, just to guard against

eventualities.

Ghol File No. 36

of 18-19

eventualities, I would reserve certain portions of the area even against the Company and only grant prospecting licenses with due discrimination. For example, I would reserve the area for some few miles round Bickonhalli until we have further examined it and this would dispose of the application, now under consideration, which may be rejected.

(5) We may inform the Superintendent of the terms above stated which may be regarded as special terms pending the issue of the new rules.

(6) With regard to the first refusal of the purchase of the ore, the Superintendent may be informed that the right of preemption will be reserved to Government in the case of all minerals, that it is not a special restriction in the case of his Company and that it is already in force in British India. The right is intended as a safeguard for the requirements of local industry and will be exercised with as much consideration as possible for the interests of lessees and licensees.

29 The purchase price for any ore to be requisitioned will be a fair market price at the point of delivery of the ore and will be based on the market rate at United Kingdom ports less all charges for transport and sale from the point of delivery to such United Kingdom ports. In view of the fact that the Company requires the ores for their own use and not for sale in the open market, Government are prepared to

G. File No. 36

of 18-19

GPB-1,200-3 2-15

assure the Company that they will not exercise the right of preemption in respect of more than 25% of the output of each particular class of ore during the next 10 years.

30 On the assumption that the above suggestions are acceptable to Government we may proceed to dispose of the two applications for prospecting licenses.

31 The application for 1 square mile near Bickonhalli, dated 6th November 1918, may be rejected and the Superintendent informed that Government are not prepared to grant any licenses round about Bickonhalli pending further investigation and enquiry.

32 The application for 10 square miles near Kumsi, dated 10th May 1918. This has been sanctioned and, in reply to my letter conveying the sanction, letter B has been received from the Superintendent in which several comments and queries are put forward. Replies to these have been suggested in my proposals given above and we have now a further letter C to deal with in which the Superintendent states that the application for 10 square miles was an error and that it should have been for 1 square mile only. Further he asks that instead of granting him a single area of 10 square miles Government will grant him 10 separate Blocks of 1 square mile each.

33 I am not prepared to recommend the proposed alternative.

A block of 10 square miles gives the right to a Mining

Geol File No. 36

of 18-19

GPB-1,200-3 2-15

Lease of 1 square mile and I have no objection to that - it leaves the remaining 9 square miles at the disposal of Government. Ten blocks of 1 square mile each would mean, under the existing Rules, the right to take 10 mining leases of 1 square mile each and if all of the areas contained valuable deposits (a most improbable contingency) the Superintendent would be able to claim the whole of them and we should be left with nothing. I would like to see several blocks taken up for prospecting and I propose that we inform the Superintendent that if he does not want the 10 square mile block which has been sanctioned, Government will be prepared to favourably consider applications for 3 or 4 separate blocks each not exceeding 4 square miles in area and for each of which the claim to a mining lease shall not exceed $\frac{1}{8}$ part of the block subject to a maximum limit of $\frac{1}{2}$ mile by $\frac{1}{2}$ mile. The duration of the leases to be granted not to exceed 10 years but subject to renewal under the rules then in force.

34 I think these proposals fair to the Company and advantageous to Government. We want to get some more work done in that area as the present mines will not last very long and it is only a powerful Company with a competent staff on the spot that could put up the money which the work will require or exercise the necessary supervision.

To The Chief Secretary, H. M.
Govt. of H. M. the Maharaja
of Mysore.

28th April 1919.
CVV

H. H. M. S.

Director,
Department of Mines and Geology

h.v.

Letter, dated 14th December 1918, from Mr. C. R. Valentine, Superintendent of the Workington Iron & Steel Co., Limited, (New Mysore Manganese Department, Shimoga, to the Director, Department of Mines and Geology, Bangalore.

In view of the present policy of Government in withholding Prospecting Licenses we have the honor to address the Government through your goodself regarding our position in the matter.

We have now been in operation about 12 years and we have sunk nearly £.200,000/- in the venture.

When this Company first sunk their capital into Mysore there was no question of their not being able to prospect and develop reserves, which are of necessity. Shallow deposits and which do not average below 15 ft. vertical, the ore being spread in horizontal beds and therefore it covers immense areas - later on the collective areas of Kumsi Block Python Blocks and Shankergudda Blocks were put under separate leases even then there was no question about our being able to prospect and extend our reserves, but later on in 1918 we learn that the Government policy had changed, and that further prospecting licenses were not to be granted to us. Had this happened in 1907 we should certainly now have sunk the money that we have, we should have opened out single deposits on yearly licenses and worked on as small a capital outlay as possible. The Lease areas held by us is nothing like adequate from a reserve point of view for capital sunk in the concern, and if the Government at this late hour blocks us out we shall be placed in an awkward position and it is from this point of view that we put our plaint to Government to ask them to reconsider such a vital step (vital to us). We have been the pioneers in the

business

business and we hope that we are entitled to earnest consideration. We presume the reason why the Government is withholding licenses is on account of their desire to smelt Langanese themselves. This in our opinion is not feasible in Mysore as the ores both quality and quantity required are not suitable for Langanese 80% alloy, and as for the lower count alloys (Langanese and Iron) it is certain that the Government could not live in competition with outside manufactures. The Iron side of the question is an entirely different one and it does not affect us. Therefore we cannot understand Government's change of policy, to conserve areas of ore which cannot be utilised seems to us to be besides the point but in the face of our argument Government still intend to proceed with this manufacture then is it not possible for us to come to some understanding with Government. Would Government kindly consent to us working the deposits which we have been continually found by hard prospecting work, until such times as they want the ore, it might be to the advantage of Government to allow us to work the ore on their behalf, as Government will find it very difficult to work deposits themselves. In any case there are certain deposits which have ore already mined lying near them, it has not been removed through lack of transport, we leave it there ready for moving on special occasions as per arrangements to be subsequently made, and we trust there will be no opposition to us doing this. The places referred to are Nigamatti - Choradi Station, Bickenhalli and Jaboor, all well known to the Department. And finally we beg to put forward the following facts :- We have paid in royalties, forest damages, Government taxes, Duties, &c., Rs.2,50,000/- We have also paid in hard cash (wages) into a District 28 miles by 10 miles Rs.9000/- per month for 12 years or a total of Rs.12,96,000/- Are Government going to block out without consideration a firm who has persevered during most

trying

trying times and who have so helped the State, this is what Government policy is about to do and it is for this reason we earnestly ask Government to reconsider their policy in this matter.

"COPY"

W. O. Anderson
For Director,

Department of Mines & Geology.

ju

Letter, dated 19th March 1919, from Mr. Geo. Moore, Superintendent of the Workington Iron and Steel Co., Ltd., Shimoga, to the Director, Department of Mines and Geology, Bangalore.

In reply to your No. 2725, dated the 17th instant, regarding our application of the 10th May 1918, I have the honor to acknowledge the receipt of the same. We note that Government reserve the right regarding the first refusal of all ore mined from our Block, also further conditions set forth to the effect that any further license granted to us is liable at the discretion of Government to be cancelled and replaced by a license under the new rules. Now regarding these two conditions laid down by Government, I think it's only right that the Company should know how the conditions comply. Firstly, are we right in assuming that all ore taken over by Government shall be paid for at the Market price U.K., secondly what quantity and percentage do they bind us down to, for these two items have a great bearing on the point. Referring to the second condition we note that any license granted to us can at the discretion of the Government be cancelled or replaced by another license under the new rules: well, to decide this point we must wait until we are in possession of the revised new rules, for it would be impossible for me to bind the Company down to any hard and fast condition unless we had a copy of the new rules for guidance. We are very much indebted to Government for granting prospecting license for Manganese ore over the ten square miles in the Kumsi Sub Taluk, and we should like to press them further for an additional ten square miles round our Shankergudda area. I am writing to my Home principles by this mail placing the matter

16

before them and on receiving their reply I shall communicate
the result.

"COPY"

W. C. Cress

For Director,

Department of Mines & Geology.

W

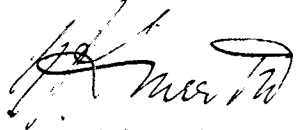
C

17

Letter dated 15th April 1919 from the Superintendent,
the Workington Iron & Steel Company, Ltd., to the Director,
Department of Mines and Geology, Bangalore.

"Further to our letter of the 29th March 19, noting again that Government are pleased to sanction ~~of~~ our application for Prospecting License over 10 square miles in the Kumsi Sub Taluk. The application for 10 square miles was sent in error and should be for 1 square mile only, a demarcation of the area will be sent as soon as possible. We also applied on the 6th November 1918 for a prospecting license for 1 square mile behind our Bickenhalli property, we have as yet received no reply to this application. There is practically no Forest on this latter area as the country is very open. We also desire to extend our operations in a small way on various places immediately round our Kumsi and Python areas, and we desire to know if there is any objection to our doing so: if there is no objection we shall take the balance of the 10 square miles area in that way making a total of a further 8 square miles still to be applied for : if the Government are pleased to grant us a straight out prospecting license for 10 square miles it is to be hoped that they will allow us to take up the 10 square miles in separate areas of 1 square mile each."

"C O P Y".


Director,
Department of Mines and Geology.

HRS.

Serial
No.

35 Submitted with reference to paragraphs 17 & 19 above

AND

3-5-19

by

The point for orders on this file is whether the application for a license over a block gone to mile plant in Sheringa Taluk may be granted.

37 Dr Smith for reasons detailed in his note states that this application may be rejected. (Vide para 31 above)

38 This recommendation may be accepted.

39 Incidentally Dr. Smith raises questions about reserving a certain area round Ajanur ^{in favour of the company.} In connection with the over-re policy in relation to licenses and leases dated 19.2.19. Dr. S. in consultation with the Dir & Co and the Secy Econ Confce has made proposals for the reservation of several areas for particular minerals. His remarks in this file on the subject may if appd be reserved for consideration with those proposals. They include the Ajanur area - think be worked up & subd in a day or two // P for orders on para 38 & above.

Chief Secy

no
17/5/19

Serial
No.

40 The suggestions of Dr. Smith seem reasonable -

7295-252
24-5-19

2nd member of

CSJ
22/5/19
WHS
23/5/19

41 The terms suggested by Dr. S are reasonable & fair, in my opinion. & both the parties concerned, viz the Co. as well as the Govt. If the Co is agreeable to these further action may be taken accordingly. The Co. may be addressed next on the lines indicated by Dr. S.

below.

Recd
26.5.19

42 May be considered in Council. This is an important case.

LD

29.5-

CS
Circulate

CSJ

27/5

WHS
31/5/19.

DEWAN'S OFFICE.

Recd. on MAY 27 1919

Reg. No. 7489

(For Disposal at a Meeting.)

No. C. 854

2.6.1919

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

Application from the Workington Iron and Steel Co., Ltd.,
Shimoga, for a prospecting license over a block of one square mile
in the Shimoga Taluk.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

C. Balasubramanian
Chief Secretary to Government.

.....31st May.....1919 .

Extraordinary Member of Council.

26.6.19

First Member of Council.

See 14/2/19

Second Member of Council.

Seen.

Third Member of Council.

GPB-1,000-28-9/14

14/6/19

5024
4.6.19

1835
2.6.19

Extract from the Proceedings of the 494th Meeting of the Council of His
Highness the Maharaja, held at Bangalore on the 26th June 1919

43

7. Subject.-Clause xii of the Schedule.

Application from the Workington Iron and Steel Company,
Limited, Shimoga, for a prospecting license over a block of
one square mile in the Shimoga Taluk.

Opinion of the Council.

The general proposals made by Dr. Smeeth in his note
dated the 28th April 1919 may be approved and a suitable re-
ply sent to the Company.

Sd. A.R. Banerji,
Offg. Dewan of Mysore.

"EXTRACT"



Chief Secretary to Government.

G. R. S. III-2]

General and Revenue
Secretariat.

c. 854

File No.

of 191 .

Serial
No.

44 To the Assistant Secretary, Branch IV (Minor Dept),
for kindly submitting the file to the Second Member
of Council with a draft Final Note.

69-69
2-7-19

second member)

45 D. S. R. subd. frappt

inv
27

46 D. S. R. approved

Recd
3-7-19

47 D. S. R. subtd.

(Dewan)

48 6/2
17

48x
57/18
inv
6/7

DEVAN'S OFFICE.

Recd. on JUL 7 1919

Reg. No. 167.

49

29

Subject:—

Applications from the Workington Iron and Steel Company, Limited, Shimoga, for prospecting licenses for Manganese over two blocks of land in the Shimoga District.

*Paper under
Disposal*

The Director of Mines and Geology has, with his letter-No.1356- dated 23rd November 1918, forwarded an application from the Workington Iron and Steel Company Limited, for a prospecting license for Manganese over a block of one square mile of land in the Shimoga Taluk. Manganese is an ore required for industrial purposes within the State and it is desirable to reserve it to Government. At the same time, the Workington Iron and Steel Company Limited, happen to have been the pioneers of Manganese mining in the State, and Government, in the earlier years, granted them special concessions, and even reserved a certain area in Shimoga District for their particular benefit. The Company at present hold two mining leases for this mineral over areas of one square mile each, and a prospecting license over a block of 10 square miles in Kumsi Sub Taluk, also for manganese, and the ore they mine here is all used up in their own works in Cumberland (England). The application by the Company for the last of the above blocks in Kumsi Sub Taluk was first refused on the score that it was desirable to reserve the areas for Government, but was sanctioned, later, on a representation by the Director of Mines and Geology, of the peculiar position of the Company as pioneers in manganese mining. The chief point for consideration in this case was whether it was desirable to grant to the Company any further manganese blocks. I was of opinion that as the Company had invested a large capital in the business, including a light line of Railway of over 20 miles, they deserved particular consideration and that the policy to be followed in their case might be considered in Council. The Government Order of 19th February 1919 regarding the policy to be adopted in the case

Y
Reel

case of minerals required for industrial purposes in the State as approved by His Highness on 3rd February 1919, was issued in the meanwhile, laying down that applications in respect of such minerals from non-Mysoreans might be considered, if they had already done good mineral work in the State for not less than five years. As the Company has done work in the State successfully for the past twelve years, I proposed that, by way of consideration to their interests, they might be given the license now asked for and that in order to protect the interests of Government, who themselves may require some of the ore mined, the quantity of ore that the Company might ship to their works in England might be limited to such ore as may not be required by Government, subject to a maximum of between 25% and 50% of the total output. The Dewan generally agreed with my view, and suggested that Dr. Smeeth might be consulted.

11p. 4 & 5 of
the 1.6.20.

2. Dr. Smeeth's view of the case and his suggestions are contained in pages 6 to 11 of the notes in the file. The considerations urged by him amount to this:-

The Company have sunk a large capital and have not yet recouped it and require further prospecting blocks to continue work. Being themselves the consumers of their mined ore they have been able to make use of rather low grade ore which otherwise would have been useless, and may still further use similar ore if they are given some good blocks in addition. Otherwise their business will collapse. Their interest thus requires special consideration and the grant of further blocks. On the other hand, Government are also likely to require some manganese in future. He therefore makes the following proposals:-

- (1) Government may re-establish the reserved area of 13 mile radius round Ayanur as per paragraph 13 of Government Order No. 1292-1340 dated 4th December 1906.
- (2) They may give the Company, from time to time, at discretion, prospecting blocks within the reserved area.

Per

285

- (3) The new prospecting licenses may be under the terms of the new rules, which have been generally approved by His Highness, whereby the Company can claim only 1/8 area of the prospecting block for a mining lease, leaving the remaining 7/8 of each block for the use of Government.
- (4) Certain portions out of the reserved area, or out of each block granted, may be absolutely retained for Government.
- (5) Government may reserve the right of preemption in the case of all the ore that may be mined, but may give an assurance to the Company that the right will be exercised with all possible consideration to the interests of the licensees and lessees. The price to be paid for any ore requisitioned by Government will be a fair market price at the point of delivery of the ore, and will be based on the market rate at United Kingdom ports, less all charges for transport and sale from the point of delivery to such United Kingdom ports. In view of the fact that the Company requires the ores for their own use, and not for sale in the open market, Government may assure the Company that they will not exercise the right of preemption in the respect of more than 25% of the output of each particular class of ore during the next 10 years.

3. These general proposals have been considered in Council, who are of opinion that they may be approved and a suitable reply sent to the Company.

4. As a result of these, the present application, which gave rise to the whole question, regarding the policy to be adopted, will have to be rejected as the block is within a mile of Bickonahalli and is part of an area which, the Director of Mines & Geology is of opinion, should be reserved absolutely for Government.

71. H. 5. With regard to the block of 10 square miles sanctioned in January 1919, the Superintendent of the Company states that the application for 10 square miles was an error and that it should have been for one square mile only. Further, he requests that, instead of granting a single area of 10 square miles, 10 separate blocks of one square mile each may be granted. This request cannot be granted for reasons stated in para 33 of Dr. Smeeth's note, but, as proposed by him, the Company may be informed that, if they do not want the 10 square mile block, which has been sanctioned, Government will be prepared to consider favourably applications for 3 or 4 separate blocks, each not exceeding 4 square miles in area and in each of which the claim to

Recd

25

to a mining lease shall not exceed $\frac{1}{8}$ part of the block subject to a maximum limit of $\frac{1}{2}$ mile by $\frac{1}{2}$ mile; the duration of the leases to be granted not to exceed 10 years but to be subject to renewal under the rules then ⁱⁿ force.

6. The general proposals mentioned above, which have been approved in Council, and the above suggestions-for disposing of the two specific cases of applications by this Company-may all be graciously approved.

3rd July 1919.

P. Raghunathas
4.7.19
MEMBER OF COUNCIL.

25
26/

Submitted to His Highness.
50

I submit herewith a Final Note by the..... Second

Member of Council on the subject of..... the applications from
the Workington Iron and Steel Company, Limited, Shimoga, for
prospecting licenses for Manganese over two blocks of land in
the Shimoga District,
for His Highness' gracious approval.

1883

Deewan.
7.7.19

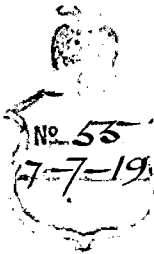
85-6

28

Record of Cases submitted for the Orders
51 of His Highness the Maharaja

Subject.

Applications from the Workington
Iron and Steel Company for prospecting
licenses for manganese over two blocks
of land in the Shimoga District.



69.

Order.

~~KRW~~

10/7/19

52
Chair recy
was the carefully
drafted 4
"7

General and Revenue
Secretariat.

Geol File No.

of 191

Serial
No.

(*)

31. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at headquarters and then sent to the Secretariat concerned for the issue of orders.

53 Circulated to the Members of Council for perusal of
(*)

His Highness' orders ^{before} ~~after~~ issue of orders. (Vide Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure).

C. B. Balasubrahmanyam
Chief Secretary to Govt. 17/7/19

Through the Secretary to Government,
.....Department.

54
FIRST MEMBER OF COUNCIL

14.7.19

55
SECOND MEMBER OF COUNCIL

Seen

*I shall be glad if
he don't put up
for early approval
14.7.19*

56
TEMPORARY MEMBER OF COUNCIL.

16/7

57
The Assistant Secretary for submitting draft to the
Second member early.

58

WD 1573-GPB-500-4-3-19

8076

28
30

G. R. S. III-2]

General and Revenue
Secretariat.

File No. 36

of 1918-19

Serial
No.

59 Submitted with a typed ~~draft~~ draft for approval

Aug.
22-7-19

Wm
22/7

651-217

24-7-19

First Member

60 Draft approved

Recd.
25-7-19

61 Issue

con.
25/7/19
Wm
25/7

14 5

The Director Sept: of mines & geol.
G. 2318 of 28-7-1919.

Approves the proposals of the director
for certain concessions to the
Company subject to certain reservations
& conditions

CHIEF SECRETARIAT.
IV.
MAY 1919
8 AUG 1919

[D.M.G. 13]

DIARY NO.....

WD 0108-GPB-200-8-10-18

BANGALORE, 23rd November 1918.

36-18.

No. 73576

Ch. Sec. to Govt.

15652

FROM

B. JAYARAM, Esq., F.G.S.,

Offg. Director, Department of Geology,

Mysore State.

To

C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government of
H.H. the Maharaja of Mysore, Bangalore.

SIR,

I have the honor to forward herewith, for the information and orders of Government, a copy of an application, dated the 6th November 1918, from the Workington Iron and Steel Co., Ltd., (New Mysore Manganese Department,) Shimoga, for a prospecting license for Manganese over a block of one square mile of land in the Shimoga Taluk, shown in the enclosed copy of the sketch received with the application. The area applied for is within the Kunchenahalli State Forest and is not covered by any other application, license or lease; but the block is not in conformity with the rules, as its length exceeds twice the breadth.

2. A previous application, dated the 16th May 1918, from the same Company for a prospecting license for Manganese over another block in the Kumsi Taluk, abutting the mining block held by them under lease No. 142, has been rejected by Government, vide your letter No. G.4576/Geol. 128-17-5, dated the 31st August 1918. I am not aware of the reasons why that application was rejected, but I have, in my letter No. 654 dated the 6th September 1918, solicited a reconsideration of the orders.

Bob

3. The circumstances under which the reconsideration was recommended do not exist in the case of the present application, as the block applied for is far away from any of those that the Company now hold. In the absence of information as to the intentions of Government in rejecting the application of the 16th May 1916 referred to above, I cannot submit any definite recommendations in respect of the present application, and I beg, therefore, to submit it to Government for such orders as they may deem fit to pass. If the Government are disposed to sanction the grant of the license, the sanction of the Conservator of Forests will be applied for, as required by Rule 4 of the Rules for the conduct of prospecting and mining operations in forest lands (vide Appendix to the Rules of September 1916 for the grant of mineral licenses and leases.)

I have the honor to be,

Sir,

Your most obedient servant,

B. Jayer Ram.

Offg. Director,

Department of Geology.

23.11.16

cvv

Letter, dated the 6th November 1918, from Messrs. Workington Iron and Steel Co., Ltd., (New Mysore Manganese Department,) Shimoga, to the Secretary to Government, Geological Department.

We have the honor to request that a prospecting license under the rules contained in the notification (Geological) No.800 dated 29th October 1910, may be granted to Messrs. The Workington Iron & Steel Co., Ltd., over the area containing one square mile marked on the enclosed extract from Topographical Survey map of Mysore.

The area over which prospecting rights are applied for comprises land belonging to the villages, the names of which with the Taluk and District to which each belongs, are set out in Schedule "A" hereto.

The minerals in respect of which prospecting rights are applied for are stated in Schedule "B" hereto.

I enclose receipt from the District Treasury for Rs.10/- (Ten rupees) being the fee payable in respect of this application at the rate of Rs.10/- per square mile or a portion of a square mile of the area applied for.

"COPY"

B. Jagan Ram.
Offg Director,

Department of Geology.

23 "18

Schedule "A"

District	Taluk	Village.
Shimoga	Shimoga.	Abalgere part village.
"	"	Hunsodù part village.
"	"	Kullagangur part village.

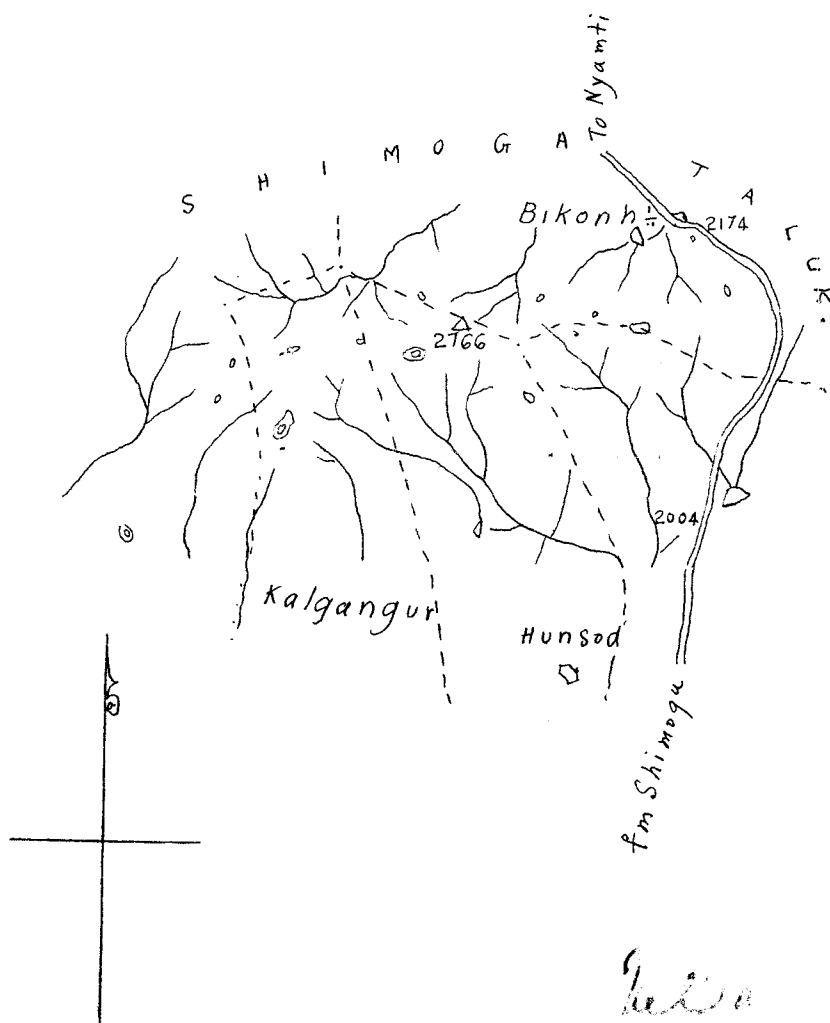
Schedule "B"

Minerals to be prospected for. Manganese ore.

"COPY"

B. Jayanarayana.
 Offg. Director,
 Department of Geology.
ju 23.11.3.

Topo Sheet No 25



Scale 1 inch = 1 mile

govt 36-18-14
36

To

The Director, Dept. of Mines & Geology.

42318

Sir,

P. 28

With reference to your letter, No. 1356 dated 23rd November 1918, forwarding for the orders of Govt., an application from the Workington Iron & Steel Co., Ltd., ^{Shimoga.} for a prospecting license for manganese over a block of one sq. mile of land in the Shimoga Taluk and your unofficial note, dated 28th April 1919 proposing certain arrangements for meeting the requirements of this Company for manganese consistently with the possible needs of Government also for the same mineral. I am directed to state that Government approve the following general proposals made by you in your note:-

pages 21-34
of note

42819

Para 2 of
file note
L

(1) ~~Government may reestablish~~ The reserved area of 13 mile radius round Ayanur, ^{as per} paragraph 13 of G.O. No. 1292-1340 dated 4th December 1906 ^{will be re-established}

(2) ~~Govt. will~~ give the Company, from time to time, at discretion, prospecting blocks within the ^{above} reserved area.

(3) The new prospecting licenses ^{will} be under the terms of the new rules, which have been generally approved by Govt., where by the Company can claim only 1/8th area of the prospecting block for a mining lease, ~~leaving the remaining 7/8th of each block for the use of Govt.~~

(4) Certain portions ~~of~~ out of the reserved area, or out of each block granted, may be absolutely retained for Govt. An area of one mile ~~all~~ around Beckonahalli, ~~out of that~~ indicated in Sub-para (1) above will be so reserved.

(5) Govt. ~~may~~ reserve the right of pre-emption in the case of all the ore that may be mined, but ^{and prepare a} give an assurance to the Company that the right will be ~~exercised~~ exercised with all possible consideration to the interests of the licensees and lessees. The price to be paid for any ore requisitioned by Govt. will be a fair market price at the point of delivery of the ore, and,

Induced in the area

will be based on the market rate at the United Kingdom ports, less all charges for transport and sale from the point of delivery ~~xxxxxxxxxxxx~~ to such United Kingdom ports. In view of the facts that the Company require the ores for their own use, and not for sale in the open market, Govt. ~~and~~ ^{pressure to make} assure the Company that they will not exercise the right of pre-emption in respect of more than 25% of the output of each particular class of ore during the next 10 years.

A suitable reply may accordingly be ~~sent~~ sent to the Company.

The application forwarded with your letter read above is as recommended by you, rejected, as the block is within a mile from Beckonahalli.

With reference to letter ~~to~~.

C dated 15th April 1919 from the Superintendent of the Company requesting that the area of 10 miles granted in this office letter, No.

U G/15176/gol dated 22-1-1919, may be given ²⁶⁻¹⁰⁻⁹ in 10 blocks of one ^{square} mile each, I am directed to state that the request cannot be granted, but that, as proposed by you, the Company may apply for 3 or 4 blocks each not exceeding ~~so many~~ 4 sq. miles in area, which will be -
favourably considered by Government, ~~on~~ -
~~condition~~ The maximum area that may be -
claimed for mining ~~lease~~ ^{such} under each license
and the period of such a lease ~~will~~ ^{be} ~~be~~
^{forwards to} ~~as~~ in the new rules regarding ~~the~~ prospecting
and mining, which ~~has~~ ^{generally} been approved by Govt.

Recd
25-7-19

I have the honour etc.

M. 27/19
Chief Secy to Government
~~for~~

ACH. 27/19